

#### DEPARTMENT OF THE ARMY

OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY ACQUISITION LOGISTICS AND TECHNOLOGY 103 ARMY PENTAGON WASHINGTON DC 20310-0103

SAAL-PB

JUL 1 6 2011

# MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Enhanced Support for the Army Small Business Program

- 1. The Small Business Act provides for establishment of government-wide goals for award of not less than 23 percent of the total value of federal prime contracts to small businesses each fiscal year. The statutory goals for the small business subcategories are: (1) Small disadvantaged businesses (5 percent); (2) women-owned small businesses (5 percent); (3) historically underutilized small businesses (3 percent); and (4) service disabled veteran-owned small businesses (3 percent).
- 2. The Army has traditionally achieved great success in supporting the small business program and has contributed significantly to the overall Department of Defense (DoD) share of small business awards. I appreciate greatly all that you have done to lend your support to this very important program. However, the DoD acquisition community is being tasked by the Under Secretary of Defense (Acquisition, Technology and Logistics) to push harder to increase prime contract awards to small businesses and the subcategories to enable the DoD as a whole to reach 23 percent.
- 3. Typically, there is a large number of contracts awarded in the last quarter of the Fiscal Year (FY). As we embark upon year end, there is tremendous opportunity to utilize existing contracting vehicles awarded to small businesses as well as unique contracting authorities such as the Section 8a program and the service disabled veteran small business program. I encourage your contracting activities to work closely with your respective small business program offices to identify small businesses that possess the capacity to provide requisite products and services.
- 4. I want to emphasize that the utilization of all aspects of the small business contracting program is a priority. Specifically please ensure that small businesses are provided the maximum practicable opportunity to participate in this fiscal year end awards and beyond. To ensure that Army achieves its goals for FY11 and beyond for small businesses and the subcategories, a number of options are available including:
- a. When using federal supply schedules (FSS), and the order exceeds the micro purchase threshold, consider making socioeconomic status a primary evaluation factor when making a best value determination. For all requirements between \$3,000 and \$150,000 including those purchased through the FSS, small business set aside should be automatic (see Federal Acquisition Regulation (FAR) 13.003(b)(1)). The contract file shall be documented to justify the use of a supplier that is other than small.

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- b. For all competitive and noncompetitive procurements that are not targeted for award to a small business, place emphasis on small business participation and weighting factors in past performance and in fee construct. As well ensure the establishment of aggressive subcontracting goals pursuant to Defense Federal Acquisition Regulation Supplement 215.304 and FAR 19.702.
- c. Consider rewarding highly qualified small business prime contractors that are participants in the Army Mentor Protégé Program by assigning additional weight to this factor in determining best value.
- d. Ensure that all acquisition professionals including Program Executive Officers and Program Managers are trained specifically regarding the goals, objectives, policies, and procedures relative to the small business program. The respective small business program office should be used as a resource.
- e. Within 30 days of the date of this memorandum, submit to Ms. Tracey Pinson, Director, Office of the Secretary of the Army Office of Small Business Programs, a plan to maximize dollars to small business and subcategories for the rest of the FY along with the identification of at least one major initiative that has been executed or will be executed this fiscal year that will produce significant dollars awarded to small businesses. Please copy me on the submission of these items.
- 5. I know that I can count on you for your full cooperation in the execution of these strategies. If these are applied consistently across the Army, we will improve small business participation overall and in all the subcategories. I would ask that you report your successes by e-mail on a monthly basis to my Point of Contact (POC) Felicia Harvey, e-mail: felicia.harvey@us.army.mil, and the OSBP POC Suellen Jeffress, e-mail: suellen.jeffress@us.army.mil.

Heidi Shyu

Senior Procurement Executive

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# DISTRIBUTION:

**HEAD OF CONTRACTING ACTIVITY:** 

CENTCOM JOINT THEATER SUPPORT CONTRACTING COMMAND

- U.S. ARMY CONTRACTING COMMAND (AMSCC-CG)
- U.S. ARMY AVIATION AND MISSILE COMMAND (AMSAM-CG)
- U.S. ARMY SUSTAINMENT COMMAND (AMSAS-CG)
- U.S. ARMY COMUNICATIONS-ELECTRONICS LIFE CYCLE MANAGEMENT COMMAND (AMSEL-CG)
- U.S. ARMY JOINT MUNITIONS AND LETHALITY (JM&L) LIFE CYCLE MANAGEMENT COMMAND (AMSEL-CG)
- U.S. ARMY RESEARCH, DEVELOPMENT AND ENGINEERING COMMAND (AMSRD-CG)
- U.S. ARMY EXPEDITIONARY CONTRACTING COMMAND (CCEC-CG)
- U.S. ARMY TANK-AUTOMOTIVE LIFE CYCLE MANAGEMENT COMMAND (AMSTA-CG)
- U.S. ARMY MISSION AND INSTALLATION CONTRACTING COMMAND (AMSCC-ICC-CG)
- U.S. ARMY SPACE AND MISSILE DEFENSE COMMAND (SMDC-ZB-RD)
- U.S. ARMY MEDICAL COMMAND (MCAA)
- U.S. ARMY MEDICAL RESEARCH AND MATERIAL COMMAND (MCMR-ZA)
- U.S. ARMY CORPS OF ENGINEERS (CECG)

NATIONAL GUARD BUREAU (NGB-ZA)

- U.S. ARMY INTELLIGENCE AND SECURITY COMMAND (IACG)
- U.S. ARMY PROGRAM EXECUTIVE OFFICE, SIMULATION, TRAINING AND INSTRUMENTATION (SFAE-STRI-PEO)

#### CF:

PRINCIPAL ASSISTANT RESPONSIBLE FOR CONTRACTING:

CENTCOM JOINT THEATER SUPPORT CONTRACTING COMMAND (SCO-I),

CENTCOM JOINT THEATER SUPPORT CONTRACTING COMMAND (SCO-A).

CENTCOM JOINT THEATER SUPPORT CONTRACTING COMMAND (PARC CONUS)

- U.S. ARMY CONTRACTING COMMAND (AMSCC-BT)
- U.S. ARMY SUSTAINMENT COMMAND (AMSAS-AC)
- U.S. ARMY AMCOM LIFE CYCLE MANAGEMENT COMMAND (AMSAM-AC)
- U.S. ARMY CECOM LIFE CYCLE MANAGEMENT (AMSEL-AC-C)
- U.S. ARMY JM&L LIFE CYCLE MANAGEMENT COMMAND (AMSML-AQ)
- U.S. ARMY RESEARCH, DEVELOPMENT, AND ENGINEERING COMMAND (AMSRD-AC)

(CONT)

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SUBJECT: Enhanced Support for the Army Small Business Program

CF: (CONT)

- U.S. ARMY MILITARY SURFACE DEPLOYMENT AND DISTRIBUTION COMMAND (BMTAQ)
- U.S. ARMY TACOM LIFE CYCLE MANAGEMENT COMMAND (AMSTA-AQ)
- U.S. ARMY MISSION AND INSTALLATION CONTRACTING COMMAND (CCMI)
- U.S. ARMY CONTRACTING COMMAND, EXPEDITIONARY CONTRACTING COMMAND (AMSCC-ECC-SWA), 408<sup>th</sup> CONTRACTING SUPPORT BRIGADE
- U.S. ARMY CONTRACTING COMMAND, EXPEDITIONARY CONTRACTING COMMAND (AMSCC-ECC-EC), 409<sup>th</sup> CONTRACTING SUPPORT BRIGADE
- U.S. ARMY CONTRACTING COMMAND, EXPEDITIONARY CONTRACTING COMMAND (MSCC-ECC-TA), 410<sup>th</sup> CONTRACTING SUPPORT BRIGADE
- U.S. ARMY CONTRACTING COMMAND, EXPEDITIONARY CONTRACTING COMMAND (AMSCC-ECC-KC), 411th CONTRACTING SUPPORT BRIGADE
- U.S. ARMY CONTRACTING COMMAND, EXPEDITIONARY CONTRACTING COMMAND, 412<sup>th</sup> CONTRACTING SUPPORT BRIGADE
- U.S. ARMY CONTRACTING COMMAND, EXPEDITIONARY CONTRACTING COMMAND (AMSCC-ECC-PA), 413<sup>th</sup> CONTRACTING SUPPORT BRIGADE
- U.S. ARMY CONTRACTING COMMAND, OFFICE OF THE PROGRAM MANAGER SAUDI ARABIAN NATIONAL GUARD
- U.S. ARMY CONTRACTING COMMAND, U.S. ARMY NATIONAL CAPITAL REGION CONTRACTING CENTER (AMSCC-ICC-NCR)
- U.S. ARMY SPACE AND MISSILE DEFENSE COMMAND (SMDC-RD-CM),
- U.S. ARMY MEDICAL COMMAND (MCAA)
- U.S. ARMY MEDICAL RESEARCH AND MATERIEL COMMAND (MCMR-AAZ-A),
- HEADQUARTERS, U.S. ARMY CORPS OF ENGINEERS (CECT-ZA)
- U.S. ARMY CORPS OF ENGINEERS, PARC ATLANTA (CEPR-ATL)
- U.S. ARMY CORPS OF ENGINEERS, PARC DALLAS (PARC-DAL)
- U.S. ARMY CORPS OF ENGINEERS, PARC WINCHESTER (PARC-WIN)
- NATIONAL GUARD BUREAU (NGB-ZC-PARC)
- U.S. ARMY INTELLIGENCE AND SECURITY COMMAND (IAPC-PARC)
- U.S. ARMY PROGRAM EXECUTIVE OFFICE, SIMULATION, TRAINING, AND INSTRUMENTATION (SFAE-STRI-K)